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FOR CODEL SENSENBRENNER FROM CHARGE THOMAS P. KELLY

STATE FOR EUR/NB AND H

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Introduction

 Congressman Sensenbrenner, on behalf of Ambassador Stephen Mull and our colleagues at the U.S. Mission in Vilnius, thank you for traveling to Lithuania. Your visit here will provide an opportunity to show gratitude to Lithuania for its staunch and unwavering support in the U.S.-led Global War on Terror. It will also afford the Lithuanians an occasion to discuss high-profile migration and travel issues with the most authoritative possible interlocutor. Planned meetings with President Adamkus, Speaker of Parliament Paulauskas, Foreign Minister Valionis, and Interior Minister Furmanavicius will afford you the chance to discuss visa policy and to celebrate and strengthen the already exceptionally friendly bilateral relations the United States shares with Lithuania.

Lithuanian History in Brief

- $\underline{\P}2$. The rich culture of Lithuania goes back more than two thousand years. Lithuanians are a branch of the Balts, who probably settled in the region around 200 B.C. Lithuanian is one of the oldest languages in Europe. The first written mention of Lithuania was in the Annales Quedlinburgenses in 1009 A.D.
- 13. The Grand Duke Mindaugas established the first Lithuanian state in 1230. He converted to Christianity briefly and was crowned king of Lithuania in 1252. The Grand Duke Gediminas, who reigned from 1316 to 1341, is credited with founding Vilnius, at the confluence of the Neris and Vilnia rivers, and a dynasty that united Lithuania and Poland from 1386 until 1795.
- $\underline{\P}4$. Lithuania progressively entered European culture. At the Union of Lublin in 1569, the Polish-Lithuanian kingdom was formally merged into a commonwealth headed by a monarch. This union came under threat from Prussia, Austria, and Russia at the end of the 18th century. 1795, Russia annexed most of Lithuania and tried to impose Russian culture.
- 15. On February 16, 1918, Lithuania regained its independence and restored its statehood. Lithuania remained free for only 22 years. In 1940, the Soviet Union occupied Lithuania; Nazi Germany overran the country the following year; and the Soviets returned in 1944. Armed resistance against the Soviets continued for several years after the end of World War II. For more than 50 years under the Soviets, Lithuanians held onto the goal of independence.
- $\underline{\ }$ 6. In February 1990, the anti-Communist popular movement Sajudis won an overwhelming majority in free parliamentary elections. That March, the Supreme Council, under the leadership of Professor Vytautas Landsbergis, restored Lithuania's independence. Lithuania became a member of the United Nations on September 17, 1991. The last Soviet soldier left in August 1993. In April 2004, Lithuania joined NATO. In May 2004, Lithuania became a member of the European Union.

Background

17. Rapid economic growth and development characterize Lithuania's trajectory from Soviet occupation to a maturing democracy and free-market economy. Politically, Lithuania strives to deepen the transatlantic alliance and present itself as an active participant in international political fora. Our coalition partner in Iraq, ally in the United Nations and NATO, and a leading exporter of democracy in a difficult neighborhood, Lithuania has risen to donor status farther afield in Iraq and Sudan. Lithuania's footprint goes far beyond what one would expect from a country of such small size (population 3.5 million) and with such a

short time on the field. On the home front, Lithuania weathered a turbulent presidential impeachment in 2004 that put the young democracy under international scrutiny. Closely adhering to transparent democratic principles and procedures, Lithuania returned a centrist, unifying figure to the presidency.

Growing Pains of a Maturing Democracy

- 18. Lithuania inaugurated Valdas Adamkus on July 12, 2004 as its fourth president since the restoration of independence in 1991. Adamkus, a former American citizen, previously served as president from 1997 to 2002, when he lost his bid for reelection to populist Rolandas Paksas. Adamkus regained the presidency following Paksas' impeachment and removal from office in April 2004 in proceedings that rocked the nation and tested the democratic institutions of the young republic. Lithuania thereby obtained the dubious distinction of being the only European democracy to have removed its head of state. The process was bumpy, but largely transparent and democratic. In the aftermath of the impeachment, Lithuania played out a highly charged contest for the presidency that pitted the centrist Adamkus against a candidate whose populist agenda promoted increased social spending, reconsideration of Lithuania's participation in Iraq, and, most notably, decreased U.S. influence in Europe. Adamkus cast his victory in this contest as confirmation of a foreign policy agenda that highlights the importance of the U.S. presence in Lithuania and Europe.
- 19. Lithuanian voters widely supported the country's entrance into the European Union and NATO in 2004. These memberships were the first steps in Lithuania's long-term political strategy that envisions a leadership role in OSCE and ECOSOC, membership in OECD, and active participation in NATO and the EU.

Growing Economy

- 110. Lithuania is one of the fastest growing economies in Europe. The country's robust economic growth continues, having slowed from 9.7 percent GDP growth in 2003 to a still enviable seven percent increase in 2004. GDP through the first three quarters of 2005 stood at 6.9 percent. Analysts forecast annual average real GDP growth of 6 percent in 2006. Domestic demand will continue to drive economic growth, as households benefit from wage increases, falling unemployment, and low interest rates. Lithuania looks to attract foreign investment to sustain long-term growth, which complements our own objective of attracting more U.S. investment to this dynamic economy. The United States runs a trade deficit with Lithuania, with imports exceeding U.S. exports by about USD 144 million in 2004.
- 111. Uncertainty surrounds the future of the Lithuania's Mazeikiu Nafta (MN) oil refinery, currently under management of the major shareholder Yukos. MN accounts for two percent of GDP and is one of the largest employers in the country. All of the leading candidates to purchase the refinery, including the U.S. firm ConocoPhillips, have ties to Russian energy companies. Continued economic growth depends to a large extent on the ability of the oil refinery, terminal, and pipeline complex to maintain stable supplies of oil.

An Enemy of Lithuania is an Enemy of the U.S.

- 112. Common values, a history of mutual support, and common goals for regional security bind Lithuania and the United States. Lithuania continues to recognize a debt of gratitude to the United States for having maintained a policy of non-recognition of Baltic annexation throughout the years of Soviet occupation. Following the restoration of Lithuania's independence, the United States cemented the friendship, providing political and financial support to Lithuania, welcoming the country into the transatlantic alliance, and supporting Lithuanian membership in NATO and the European Union.
- 13. Lithuania is a reliable transatlantic partner and a strong advocate of NATO's central role in ensuring security in the Euro-Atlantic area. As a new member of NATO, Lithuania has politically and materially supported the alliance's international missions. Lithuania currently has boots on the ground in Afghanistan in support of ISAF, and leads a multinational Provincial Reconstruction Team in Chagcharan in Afghanistan's remote Ghowr province. In Iraq, Lithuanian soldiers serving under Danish and Polish command conduct patrols assist in maintaining public order

and are involved with rebuilding and reconstruction efforts. British, Danish, and Polish commanders have all commended Lithuanian soldiers' skills and professionalism. The Lithuanian Parliament has already authorized these international deployments through the end of 2007. Lithuanian soldiers have also performed admirably as peacekeepers in the Balkans. This year, they will begin serving with Polish and Ukrainian personnel in a joint peacekeeping battalion in Kosovo.

A Friend to the U.S. in Time of Need

114. Lithuania offered more than 8,000 food rations, ten water pumps, and medical supplies to victims of Hurricane Katrina. (Ultimately, FEMA decided that the assistance was not required.) The Lithuanian Red Cross raised more than \$16,000 in private donations; one elderly woman donated her entire life savings to the relief effort in gratitude for U.S. support for Lithuania.

Lithuania Active in the "Near Abroad"

15. Lithuania's accession to the European Union and NATO opened new opportunities for the GOL to engage with its neighbors to the east, most notably in the context of the EU's "New Neighborhood" policy. Leveraging its historical experience as part of the Soviet Union, Lithuania seeks to assist the transition by former Soviet states to democracy and integration into European institutions such as the EU and NATO. In Belarus, Lithuanian governmental and nongovernmental organizations work with nascent democratic forces both bilaterally and through regional frameworks such as e-PINE. President Adamkus was instrumental in mediating the election crisis in Ukraine, and Lithuania is one of the most vocal advocates for Ukraine's bid to become a member of the EU and NATO. Lithuania supports Moldova's aspiration to join the EU and encourages the countries of the South Caucasus to pursue European integration.

Lithuanian-Russian Relations

116. Lithuania works hard to maintain good relations with Russia. Mutual interests in transit, energy, and security issues attract high-level attention in both Vilnius and Moscow. GOL and GOR leaders periodically convene an intergovernmental council to discuss concerns. The September 15, 2005 incursion and crash of a Russian SU-27 fighter-bomber in Lithuania's territory tested Lithuanian-Russian relations. Despite public expressions of pique from officials and politicians in both capitals, however, both governments maintain the episode will not have a lasting impact on bilateral relations. (The armed aircraft was part of a six-jet convoy traveling from St. Petersburg to Kaliningrad when it apparently experienced navigational problems, ran out of fuel, and crashed 90 miles west of Vilnius. The Russian pilot, who safely ejected, was placed under house arrest and questioned by Lithuanian authorities before returning to Russia.) The issue has refocused public attention on the role and importance of NATO's Baltic air-policing mission for the region. American F-16s assumed command of this mission October 1,2005. Polish fighters relieved our forces here on December 30, 2005.

The Special Lithuanian-U.S. Relationship

117. Starting in the 19th century, a flood of Lithuanians fled poverty and oppression in their homeland and immigrated to the United States. These longstanding ties of family and culture remain strong, and the Lithuanian-American community is well-organized and active. After World War II, Lithuanians received decisive moral support from the United States, which refused to recognize the Soviet annexation of Lithuania. After regaining their independence, Lithuanians have continued to view our country more favorably that most Western Europeans. This reflects longstanding goodwill toward the United States as well as the widely held view that the United States presents the only credible defense against recrudescent domination from the east.

Migration and Border Security Issues

118. More than a century of emigration to the United States means that migration remains one of the most prominent issues in the bilateral relationship. As many as 2,100 Lithuanians have emigrated to the U.S. permanently in recent years, most of them via the Diversity Visa program.

Upwards of 9,500 Lithuanians apply for nonimmigrant visas each year, and Lithuania has one of the largest Summer Work and Travel (J visa) programs per capita in the world. The subject of visas arises frequently in official meetings and in the press, and you will likely be asked about Lithuania's prospects for inclusion in the Visa Waiver Program (VWP).

- 119. Lithuania was one of several Eastern European countries to develop a Visa Waiver Roadmap (VWR) last year. Announced in April 2005, Lithuania's VWR aims to help Lithuania meet the VWP's legal requirements, and the Government of Lithuania and Embassy work actively to that end. Our efforts to date have focused on a public outreach campaign to encourage proper use of U.S. visas and cooperation on timely reporting of lost and stolen passports.
- 120. As a border state, Lithuania understands its role in securing the borders of the EU. The USG has provided financial and technical support to combat smuggling and, especially, proliferation. Unfortunately, Lithuanian passports have proven to be a document of choice for forgers and imposters in Europe, which the Government of Lithuania is working to address. Several of the briefings during your visit will discuss this subject.

Preview of Your Visit

121. Ambassador Mull, who is currently on travel, will host a country-team briefing at the beginning of your stay, and a dinner and a reception in your honor featuring Lithuania's best and brightest. We've also confirmed meetings for you with the President, the Speaker of Parliament, and the Interior and Foreign Ministers. All of us here at Embassy Vilnius very much look forward to your visit. We'll see you on Tuesday!

KELLY